

NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.

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MICRO ELECTRONICS FILES FOR OFFERING. Micro Electronics Corporation, 1191 Stout St., Denver, Colo., filed a registration statement (File 2-17907) with the SEC on March 31, 1961, seeking registration of 100,000 shares of common stock, to be offered for public sale at \$4 per share. The offering will be made on a best efforts basis through underwriters headed by R. Baruch & Co., which will receive a 60¢ per share selling commission and \$12,500 for expenses. After the sale of such shares, the underwriter may buy for \$250, 3-year warrants to purchase 25,000 shares at \$3.50 per share (of which 5,000 may be purchased by William Blum, Jr. as a "finder's fee"). The company has agreed to sell the underwriter 25,000 common shares at 10¢ per share, of which 5,000 shares will be resold to Blum.

The company was organized under Colorado law in December 1960. Since organization the company has accepted certain orders for small lot custom manufacture of printed circuit boards but has concentrated principally in conducting a sales effort to procure volume orders in anticipation of being ready, in May or June 1961, to go into full scale production of micro and conventional printed circuits for use in the electronics field, in its new facility in the "Electronic Industrial Park" six miles west of Denver. Pending completion of its initial leased facilities, and while planning for lease purchase of a new plant, arrangements were made for certain limited manufacturing operations of a fee basis with AD FOTO, a neighboring photo engraving concern originally owned by James H. Burcham, Jr., president, and now by his father. The \$310,000 net proceeds of this financing will be used as follows: \$124,000 for the purchase of the new plant; \$76,000 for equipment; and \$110,000 for working capital. Proceeds from the exercise of warrants will also be added to working capital.

The company has outstanding 75,000 common shares and 75,000 stock subscription warrants.

BURNDY LTD. STOCK PLAN. Burndy Corporation, Norwalk, Conn., filed a registration statement (File 2-17908) with the SEC on March 31, 1961, seeking registration of \$450,000 of participations in the Employees' Stock Purchase Plan together with shares of Burndy stock which may be acquired pursuant thereto.

EMPIRE DEVICES FILES FOR SECONDARY. Empire Devices, Inc., 37 Prospect Street, Amsterdam, New York, filed a registration statement (File 2-17909) with the SEC on April 3, 1961, seeking registration of 105,000 outstanding shares of common stock, to be offered for public sale by the present holders thereof. The offering will be made on an all or none basis through underwriters headed by Hayden, Stone & Co. The public offering price and underwriting terms are to be supplied by amendment. The selling stockholders have sold to a corporation substantially owned by the principal underwriter, five-year warrants to purchase an additional 10,500 shares at a price per share equal to the public offering price.

The company, with its wholly-owned subsidiary, Empire Devices R & D Corp., is engaged in the design, development and manufacture of electrical and electronic test and measuring equipment and microwave devices. Its principal products are radio frequency noise and field intensity meters. The company has outstanding 700,000 shares of common stock, of which Michael T. Harpes, president, owns 350,000 shares and proposes to sell 52,500 shares, and Joseph Lorch, vice president, and Hannah Lorch own 175,000 shares each and propose to sell 26,250 shares each. After the sale of such stock, the selling stockholders will continue to own an aggregate of 85% of the outstanding stock of the company.

WESTERN LAND TRUST FUND FILES FOR OFFERING. Western Land Trust Fund, 1031 First Western Bldg., Oakland, Calif., filed a registration statement (File 2-17910) with the SEC on March 30, 1961, seeking registration of 200,000 shares of beneficial interest in the Fund, to be offered for public sale at \$10 per share. An 85¢ per share commission will be paid the underwriter (name to be supplied by amendment).

Organized under California law in March 1961, the Fund is a closed-end real estate investment trust whose primary objectives are to invest in real properties in California. Western Land & Cattle Company is listed as the Fund's management company, Patricia A. Giambroni as president, Barbara L. Gremminger as secretary and Amy D. Rott as treasurer. The prospectus states that it is anticipated that such persons will resign as officers and directors of the Fund, and their positions filled by other persons. William L. Smith is president of the management company.

WHEELING STEEL FILES THRIFT PLAN. Wheeling Steel Corporation, Wheeling, W. Va., filed a registration statement (File 2-17912) with the SEC on April 3, 1961, seeking registration of \$7,500,000 of participations in the company's Thrift Plan, and 150,000 shares of common stock which may be acquired pursuant thereto.

MIDDLE SOUTH STOCK OPTION MODIFIED. Middle South Utilities, Inc., New York holding company, has modified the provisions of its Stock Option Plan in accordance with the Commission's decision of February 7, 1961; and the Commission has issued an order under the Holding Company Act (Release 35-14401) approving the plan as so modified. Under the modified plan, the exercise price of the options shall be 100 per cent of the fair market value of the common stock as of the date of the issue of the options, not more than an aggregate of 25 per cent of the shares covered by the plan shall be optioned to persons who at the time the plan is adopted are officers of Middle South or its subsidiary companies, and the aggregate exercise price of the shares which

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may be subject to option by any one person during the period covered by the plan shall not exceed 150 per cent of the regular annual cash compensation paid to him by any company in the Middle South holding company system. Middle South also modified its plan to eliminate the provision which permitted a reduction in the exercise price if the average market price of Middle South's common stock in the 12 consecutive months preceding the date of the reduction is less than 80% of the market price at the date of the grant of the option.

MISSISSIPPI P & L EXTENDS PURCHASE. The SEC has issued an order under the Holding Company Act (Release 35-14402) extending through 1961 the period within which Mississippi Power & Light Company (Jackson) may purchase up to \$90,000 of the stock of Mississippi Business and Industrial Development Corporation authorized by Commission order of December 15, 1960.

MISSISSIPPI POWER EXTENDS PURCHASE. The SEC has issued an order under the Holding Company Act (Release 35-14403) extending through 1961 the period within which Mississippi Power Company (Gulfport) may purchase up to \$55,000 of the stock of Mississippi Business and Industrial Development Corporation authorized by Commission order of December 29, 1960.

TRADING BAN IN UNITED INDUSTRIAL CONTINUED. The SEC has issued an order under the Securities Exchange Act (Release 34-6522) suspending trading, for a further ten-day period April 6 to 15, 1961, inclusive, in the common and preferred stocks of United Industrial Corporation, of Los Angeles, and in common stock purchase warrants, on the American, Detroit, New York and Pacific Coast Stock Exchanges (to the extent the respective securities may be listed and traded thereon) and in the over-the-counter market.

BOOKS ORDERED PRODUCED BY AMERICAN SALES TRAINING. The SEC Chicago Regional Office announced March 28th (LR-1959) the entry of a Federal court order (USDC, Chicago) directing American Sales Training Research Associates, Inc., of Chicago to produce its books and records for examination pursuant to a subpoena issued in a Commission investigation of that company.

VANCO INC. ENJOINED. The SEC New York Regional Office announced March 30th (LR-1960) the entry of a Federal court order (USDC, Newark, N.J.) permanently enjoining Vanco, Inc., its officers, agents and employees, from further violation of the Securities Act registration requirements in the sale of notes to stockholders of the bankrupt Vandersee Corp.

SEC COMPLAINT NAMES MERRITT-VICKERS. The SEC New York Regional Office announced March 30th (LR-1961) the filing of Federal court action (USDC SDNY) seeking to enjoin Merritt, Vickers, Inc., 125 Maiden Lane, New York, and its president, Matthew Joseph Merritt, Jr., from further violating the Commission's net capital rule.

ARTHUR C. COSTELLO INDICTED. The SEC Chicago Regional Office announced March 29th (LR-1962) the return of a Federal court indictment (USDC, St. Louis) charging Arthur C. Costello with violations of Securities Act anti-fraud provisions in the sale of securities to customers.

SEC COMPLAINT NAMES W. ED. TAGUE CO. The SEC Washington Regional Office announced March 30th (LR-1963) the filing of Federal court action (USDC, Pittsburgh) seeking to enjoin W. Edward Tague, doing business as W. Edward Tague Company, from further violations of the Commission's net capital rule and the appointment of a receiver for the firm. Court issued temporary restraining order, Malcolm Anderson was appointed receiver, and court hearing was set for April 3d on motion for preliminary injunction.

TOWER HOTEL, DEAUVILLE HOTEL ET AL ENJOINED. The SEC San Francisco Regional Office announced March 30th (LR-1964) the entry of a Federal court order (USDC, Nev.) permanently enjoining Tower Hotel Corporation, Deauville Hotel Corporation, Max Field, Charles Miller, Marvin Beckwith and Thomas Evans from further offer and sale of stock of the two Hotel corporations in violation of the Securities Act registration and anti-fraud provisions.

SOL A. DANN ENJOINED. The SEC announced March 31st (LR-1965) the entry of a Federal court order (USDC, Detroit) preliminarily enjoining Sol A. Dann from further violating the Commission's proxy rules in the solicitation of proxies from Chrysler shareholders.

SOUTHERN INVESTMENT, FRANKLIN ENJOINED. The SEC Atlanta Regional Office announced March 31st (LR-1966) the entry of a Federal court order (USDC, MD Ga.) permanently enjoining Southern Investment and Finance Corporation of Macon, Ga., and J. M. Franklin from further violation of the Securities Act registration and anti-fraud provisions.

FORTUNE AND ANTHONY POPE SENTENCED. On March 29th, the U. S. District Court (SDNY) sentenced Fortune Pope and Anthony Pope to total fines of \$25,000 each and suspended one-year prison terms and placed them on probation for one year (LR-1967), on their previous pleas of guilty and nolo contendere to various counts of an indictment charging violation of SEC proxy rules in connection with their activities involving Colonial Sand & Stone Co., Inc.

NORTHWESTERN PUBLIC SERVICE PROPOSES RIGHTS OFFERING. Northwestern Public Service Company, Huron, S. D., filed a registration statement (File 2-17913) with the SEC on April 3, 1961, seeking registration of 54,571 shares of common stock. It is proposed to offer such stock for subscription by holders of common stock on the basis of one new share for each twelve shares held. The record date, subscription price, names of the underwriters and underwriting terms are to be supplied by amendment.

The company's construction program for 1961 is estimated at \$3,975,000. In addition, it has contracted to purchase certain existing electric facilities in South Dakota for a base purchase price of \$1,350,000 subject to certain adjustments. It is expected that the necessary funds to cover the costs of the above programs and for the repayment of \$900,000 of presently outstanding bank loans (incurred to finance a portion of the 1960 construction program) will be provided as follows: from operations of the company, to the extent of about \$1,200,000; from the net proceeds from this stock sale; from the sale in 1961, at about the par value and principal amount respectively, of not to exceed \$1,000,000 par value of preferred stock and not to exceed \$2,500,000 of First Mortgage Bonds; and, to the extent necessary, from short-term borrowings. In addition to various indebtedness and preferred stock, the company has outstanding 654,852 shares of common stock. A. B. Sanborn is listed as board chairman and S. A. Mosness as president.

RUBEROID FILES STOCK PLAN. The Ruberoid Co., 500 Fifth Avenue, New York, filed a registration statement (File 2-17914) with the SEC on April 3, 1961, seeking registration of 200,000 shares of common stock, to be offered to officers and key employees pursuant to the company's Incentive Stock Option Plan.

MODEL ENGINEERING FILES OPTION PLAN. Model Engineering & Manufacturing Corp., 50 Frederick St., Huntington, Ind., filed a registration statement (File 2-17915) with the SEC on April 4, 1961, seeking registration of options to purchase 60,000 shares of its common capital stock, together with the 60,000 shares of stock, to be issued pursuant to the company's Stock Option Incentive Plan for Certain Employees.

KERR-MCGEE OIL INDUSTRIES SHARES IN REGISTRATION. Kerr-McGee Oil Industries, Inc., Kerr-McGee Bldg., Oklahoma City, Okla., filed a registration statement (File 2-17911) with the SEC on March 30, 1961, seeking registration of 34,512 shares of common stock. Of such stock, 33,355 shares are to be available for issuance and sale upon the exercise of the company's 1967 warrants which were issued, as an incident of the merger into the company in December 1960 of Pacific Uranium Mines Company, for Pacific's outstanding warrants surrendered for exchange for the 1967 warrants. If all the 33,355 shares are purchased at the current purchase price of \$78.25 per share, the company would receive proceeds of \$2,610,029. Certain of the Pacific warrants were not surrendered for exchange for the company's 1967 warrants and are now deemed to constitute the company's 1980 warrants, by reason of their provisions and as a consequence of the merger. The remaining 1,157 common shares underlie such warrants, which are exercisable at \$87.55 per share with net proceeds to the company of \$101,295. The prospectus also includes 105,568 previously-registered common shares which underlie the company's 1964 warrants issued and publicly distributed in connection with a financing in June 1957, being attached to \$20,000,000 of debentures then issued. At the current purchase price of \$75.78 per share, the company would receive proceeds of \$7,999,943 if all the shares are purchased. No underwriting is involved.

The company is engaged in the exploration for and production of crude oil and natural gas and condensate; the purchase and refining of crude oil and the transportation, distribution and marketing of products thereof; the processing of natural gas for natural gasoline and liquefied petroleum gases; contract drilling business; and the exploration for and mining and processing of uranium-bearing ores. The net proceeds from the sale of the shares will be added to general funds and be available for capital expenditures and other corporate purposes.

In addition to various indebtedness, the company has outstanding 2,657,563 shares of common stock. Robert S. Kerr is listed as board chairman and D. A. McGee as president.

PHILIP C. MCKENNA FILES FOR OFFERING. Philip C. McKenna, 11 East 44th Street, New York, filed a registration statement (File 2-17916) with the SEC on April 4, 1961, seeking registration of \$550,000 of preformation limited partnership interests in the musical play "Tour d'Amour", to be offered for public sale in units at \$11,000 each with minimum contributions of \$2,750. Such interests will be offered by Philip C. McKenna, the producer of the musical, with no underwriting expenses or commission involved.

After the aggregate contributions, amounting to \$550,000, have been raised, the limited partnership, to be called Kenson Enterprises, will be organized under New York law for the purpose of managing and producing the musical, and for exploiting and turning to account the rights at any time held by the partnership in connection therewith. McKenna acquired the right to present the play on the stage in the United States, Canada and the British Isles from Ken Englund, the librettist, and Charles Henderson, the composer-lyricist. The story of the musical is about its central character, Gustav Eiffel, who built the tower in Paris. The writers will receive an aggregate royalty of 6% of the gross weekly box office receipts of the musical. The general partner is entitled to 50% of the net profits, if any, of the limited partnership. Each limited partner shall be liable upon demand to make an additional limited contribution of 10% of his original contribution if required by the producer.

CORRECTION. The proposal of Vornado, Inc., for an exchange of securities with Investors Diversified Services, Inc., referred to in the SEC News Digest of April 4th, is scheduled for hearing on April 13, 1961 (the earlier Digest item erroneously stated that April 13th was the due date for requesting a hearing).

SECURITIES ACT REGISTRATIONS. Effective April 4: Tennessee Gas Transmission Company (File 2-17695). Effective April 5: Rego Insulated Wire Corp. (File 2-17548); Alberto-Culver Company (File 2-17597); Morton Foods, Inc. (File 2-17606); Hercules Powder Company (File 2-17638); International Utilities Corporation (File 2-17685); The Mead Corporation (File 2-17696); General Telephone Company of California (File 2-17724); The Daily Mirror Newspapers Ltd. (American Depositary Receipts) (File 2-17781).